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TO RUEHSW/AMEMBASSY BERN PRIORITY 0000  
INFO MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE  
RUEHDM/AMEMBASSY DAMASCUS 0000

S E C R E T STATE 115194

SIPDIS

E.O. 12958: DECL: 11/06/2034  
TAGS: [MTCRE](#) [PARM](#) [PREL](#) [MNUC](#) [ETTC](#) [KSCA](#) [SZ](#) [SY](#)  
SUBJECT: SWISS FIRM PREVIOUSLY CONDUCTING BUSINESS WITH  
IRANIAN FRONT COMPANIES NOW ENGAGED WITH SYRIAN ENTITY OF  
PROLIFERATION CONCERN (S)

REF: A. 08 STATE 101519  
[B](#). 08 BERN 000514  
[C](#). 08 STATE 122304  
[D](#). 08 BERN 000594  
[E](#). 08 STATE 132055  
[F](#). BERN 000059  
[G](#). BERN 000118

Classified By: ISN/MTR DIRECTOR PAM DURHAM FOR REASON 1.4 (C).

[1](#). (U) This is an action request. Embassy Bern, please see paragraph 4.

[2](#). (S) Background: On several occasions in 2008 and 2009, we discussed with Swiss officials efforts directed by the Iranian procurement entity FEDCO to procure crystal oscillators from the Swiss firm Quartzcom (Refs). These efforts included the use of FEDCO front companies in Malaysia and the UAE, and also involved discussions between Quartzcom and FEDCO aimed at evading Swiss export laws. In response to our concerns, Swiss officials investigated the information we provided and met with Quartzcom's management, who pledged to abandon all of the firm's Iran-related activities.

[3](#). (S) Objectives: We now want to advise the GOS of new information indicating that as of September 2009, Quartzcom had received an order for quartz oscillators from the Syrian firm Business Lab. We have concerns that any items Quartzcom ships to Business Lab may be diverted to Syria's Scientific Studies and Research Center (SSRC), the agency responsible for overseeing Syria's WMD and missile programs. We want to share this information with Swiss officials and urge them to investigate and take measures to ensure that Quartzcom is not acting as a supplier to Syrian entities of proliferation concern.

[4](#). (S) Action Request: Request Embassy Bern approach appropriate host government officials to deliver talking points/non-paper in paragraph 5 below and report response. Talking points also may be provided as a non-paper.

[5](#). (S) Begin talking points/non-paper:

(SECRET//REL SWITZERLAND)

-- We would like to alert you to information of proliferation concern and request your assistance in investigating this activity.

-- On several occasions in 2008 and 2009, we discussed with you Iranian efforts to procure crystal oscillators from the Swiss firm Quartzcom.

-- These efforts were directed by the Iranian procurement firm Farazeh Equipment Distributor Company (FEDCO) and involved the use of the Malaysia-based front company Evertop Services and the UAE-based front company Alkaen Equipment and Industrial

Supplies LLC.

-- We also advised you that it appeared that Quartzcom and FEDCO were exploring ways of getting around Swiss export laws.

-- In March 2009, we were pleased to learn that you had met with Quartzcom's management, who said that Quartzcom would abandon all of its Iran-related activities.

-- We now have additional information we would like to share with you related to Quartzcom's trading activities.

-- Specifically, we understand that as of late September 2009, the Syrian firm Business Lab had ordered quartz oscillators from Quartzcom.

-- While these items are not controlled by the Missile Technology Control Regime (MTCR), Quartzcom's trade with Business Lab is of concern to us.

-- We are concerned that these items may be diverted to Syria's Scientific Studies and Research Center (SSRC).

-- As you will recall from MTCR Information Exchange meetings, SSRC is the agency responsible for overseeing Syria's WMD and missile programs.

-- We urge you to investigate this latest information and to take all appropriate measures to ensure that Quartzcom is not acting as a supplier to entities affiliated with Syria's WMD or ballistic missile programs

-- We look forward to continuing our excellent cooperation on nonproliferation matters and to hearing of any updates on the progress of your investigation of this case.

End talking points/non-paper

16. (U) U) Washington POC is ISN/MTR John Paul Herrmann (Phone: 202-647-1430). Please slug any reporting on this issue for ISN/MTR and EUR/CE.

17. (U) A word version of this document will be posted at [www.state.gov/demarche](http://www.state.gov/demarche).  
CLINTON